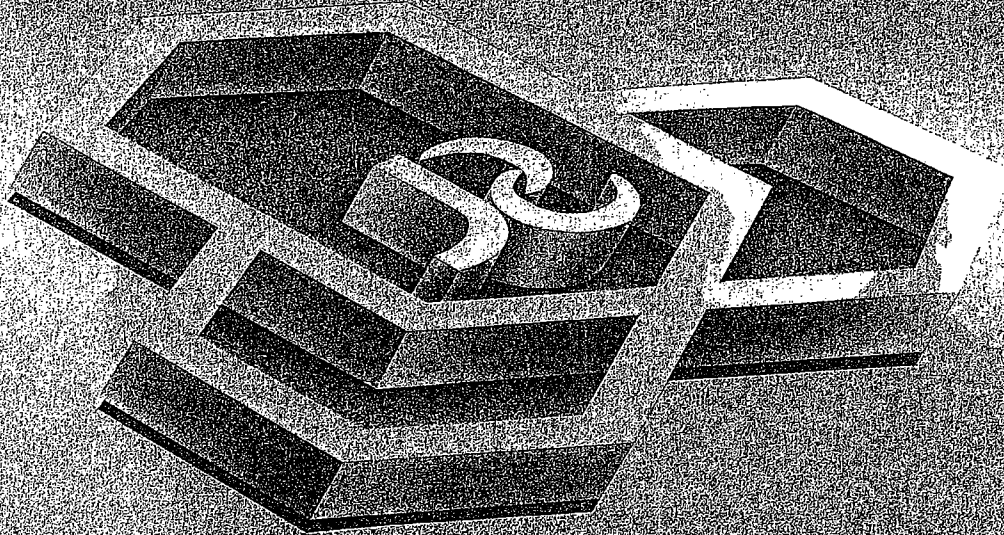


Exhibit 3

Part 1 of 9

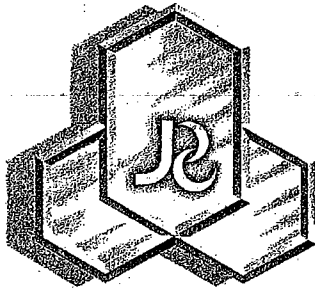
AL RAJHI BANKING & INVESTMENT CORPORATION



Annual Report (1408 & 1409) 1988

CENTRE FOR ARAB GULF STUDIES
UNIVERSITY OF EXETER

198 198 198



**AL RAJHI BANKING AND INVESTMENT CORPORATION
A SAUDI JOINT STOCK COMPANY**

HEAD OFFICE: P.O. BOX 28 RIYADH 11411

TELEPHONE 4054244 FAX 4032969

NO. AND DATE OF TRANSFER:

ROYAL DECREE NO M/59 DATED 3/11/1407H

PAID UP CAPITAL: SR 750,000,000

COMMENCEMENT DATE:

1/8/1408 H CORRESPONDING TO 19/3/1988

C.R. : 1010000096

REGIONAL OFFICE FOR MEDINAH & NORTH

MANAGEMENT

NO. 007 Fax. 8387711 CENTRAL 8388068

1 - AL-MANAKAH 105	17 - RAFAHA 189	1 -
TEL. 04 8233092	TEL. 04 6760264	TEL
FAX. 04 8233916	FAX. 04 6761588	FA
2 - SAHAMI/MEDINA 152	18 - AL-WAJH 171	2 -
TEL. 04 8234240	TEL. 04 4422884	JEI
FAX. 04 8244192	FAX. 04 4421873	TEI
3 - AIRPORT ST. MEDINA 198	19 - TEEMA 178	FA
TEL. 04 8381035	TEL. 04 4632946	3 -
FAX. 04 8386675	FAX. 04 4633030	12:
4 - QOBA/MEDINA 218	20 - AL-ULLA 208	TEI
TEL. 04 8238125	TEL. 04 8840363	FA
FAX. 04 8269689	FAX. 04 8840359	4 -
5 - BAB AL-ANBRIYAH 242	21 - DOMAT-AL-JANDAL 213	TEI
TEL. 04 8243349	TEL. 04 6223414	FA
FAX. 04 8222121	FAX. 04 6221470	5 -
6 - AL-MEDINA (WOMEN BRANCH) 272	22 - HAQL 224	TE
TEL. 04 8269808	TEL. 04 4530600	FA
FAX. 04 8269825	FAX. 04 4530584	6 -
7 - MEDINA HOSPITAL 294	23 - BADR 230	JE
TEL. 04 8230372	TEL. 04 3321747	TE
FAX. 04 8230372	FAX. 01 3321743	FA
8 - TABOUK 109	24 - AMLAJ 244	7 -
TEL. 04 4221544	TEL. 04 3822324	JE
FAX. 04 4229780	FAX. 04 3822328	TE
9 - AL-AMARAH ST. 194	25 - KHAIBER 248	FA
TEL. 04 4221864	TEL. 04 8821137	8 -
FAX. 04 4226760	FAX. 04 8821827	TE
10 - AL-MAHRAJAN/TABOUK 202	26 - TABARJAL 250	FA
TEL. 04 4227060	TEL. 04 6281209	9 -
FAX. 04 4227060	FAX. 04 6281636	TE
11 - YANBU 150	27 - AL-HUDAIHA 268	FA
TEL. 04 3222683	TEL. 04 6424872	10
FAX. 04 3226246	FAX. 04 6424872	TE
12 - AL-HAJH AL-MALAKIAH/ YANBU 327	28 - AL-HANAKIYAH 269	FA
TEL. 04 3211107	TEL. 04 8620132	11
FAX. 04 3211042	FAX. 04 8620487	TE
13 - AL-GURYAT 111	29 - DHABA NORTH 283	FA
TEL. 04 6420235	TEL. 04 4322867	12
FAX. 04 6420013	FAX. 04 4320472	TE
14 - ARAR 133	30 - AL-MAHD 286	FA
TEL. 04 6631876	TEL. 04 8681054	13
FAX. 04 6624120	FAX. 04 8681988	TE
15 - AL-JOUF 154	31 - AL-YATAMAH 313	FA
TEL. 04 6246764	TEL. 04	14
FAX. 04 6241192	FAX. 04	S1
16 - TARIF 165		TE
TEL. 04 6521880		FA
FAX. 04 6520840		15

REGIONAL OFFICE FOR RIYADH AND SUBSIDIARIES

MANAGEMENT

NO. 003 Fax. 4044631 Telephone 4043965

1 - DIRA 101
TEL. 01 4114029
FAX. 01 4117517

2 - BATHA 108
TEL. 01 4122243
FAX. 01 4120510

3 - K. FAISAL SP. HOSPITAL
114
TEL. 01 441 4709
FAX. 01 4414719

4 - TRADING CENTRE 116
TEL. 01 4035711
FAX. 01 4011150

5 - DAHRAN ST. 125
TEL. 01 4783615
FAX. 01 4783343

6 - AL-MALAZ 126
TEL. 01 4769968
FAX. 01 4769713

7 - KING FAISAL ST. 127
TEL. 01 4010541
FAX. 01-4040308

8 - AL-NASRIYAH 131
TEL. 01 4013570
FAX. 01 4032464

9 - HIJAS ROAD 140
TEL. 01 4580508
FAX. 01 4569632

10 - AL-SUWAILIM 143
TEL. 01 4043608
FAX. 01 4043608

11 - AL-SANA'YAH 149
TEL. 01 4484102
FAX. 01 4463041

12 - CENTRAL HOSP. 159
TEL. 01 4357888
FAX. 01 4357877

13 - SAHAT AL-ADEL 164
TEL. 01 4013768
FAX. 01 4013576

14 - AL-NASEEM 165
TEL. 01 2313576
FAX. 01 2313057

15 - AL-OLEYA 166
TEL. 01 4657084
FAX. 01 4657101

16 - AL-MOQAIBRAH 168
TEL. 01 4013602
FAX. 01 4055017

17 - KING KHALID INTL.
AIRPORT 173
TEL. 01 2202571
FAX. 01 2202592

18 - AL-MARGAB 174
TEL. 01 4488126
FAX. 01 4461554

19 - MANFOUHA 179
TEL. 01 4467841
FAX. 01 4481046

20 - AL-MUNTAAZAH/RIYADH
182
TEL. 01 4011432
FAX. 01 4050747

21 - AL-KHAZAN ST./RIYADH
185
TEL. 01 4027231
FAX. 01 4041673

22 - DAWWAR AL-SHIMAI
"WOMEN BRANCH" 188
TEL. 01 4357854
FAX. 01 4359580

23 - SULTANAH/RIYADH 195
TEL. 01 4582584
FAX. 01 4591011

24 - AL-IMAM/F. BIN TURKI
ST./RIYADH 197
TEL. 01 4124009
FAX. 01 4123426

25 - AL-MA'AZAR/RIYADH
200
TEL. 01 4420729
FAX. 01 4421038

26 - SULAIMANIYAH/RIYADH
203
TEL. 01 4658270
FAX. 01 4646670

27 - AL-RAWDAH/RIYADH
204
TEL. 01 4915184
FAX. 01 4914331

28 - MUSHRIFA/RIYADH 211
TEL. 01 4771555
FAX. 01 4780949

29 - HARAT AL-ONOUZ/
RIYADH 215
TEL. 01 4488204
FAX. 01 4465780

30 - AL-SHIFA/RIYADH 216
TEL. 01 4216156
FAX. 01 4213592

31 - PRINCE SALMAN ST.
229
TEL. 01 4461449
FAX. 01 4462547

32 - HARAT ABDULLAH 231
TEL. 01 4590162
FAX. 01 4572647

33 - UM AL-HAMMAM 251
TEL. 01 4821982
FAX. 01 4824451

34 - AL SABALAH 253
TEL. 01 4111520
FAX. 01 4118109

35 - AIRPORT ROAD 260
TEL. 01 4778057
FAX. 01 4786740

36 - PRINCE ABDULLAH ST.
261
TEL. 01 4794432
FAX. 01 4793067

37 - AL-THALATEEN
AL-OLAYA ST. 279
TEL. 01 4631450
FAX. 01 4652398

38 - DHARAT AL-BADEYA
282
TEL. 01 4259852
FAX. 01 4260547

39 - AL-AHSA ST. 289
TEL. 01 4789298
FAX. 01 4786982

40 - KING KHALED
SPECIALIST HOSPT. 292
TEL. 01 4821234
FAX. 01 4821234

41 - GUBEIRAH 293
TEL. 01 4469200
FAX. 01 4467288

42 - RABWAH 296
TEL. 01 4911913
FAX. 01 4917458

43 - AL-OLEYA WOMEN
BRANCH 317
TEL. 01 4643210
FAX. 01 4643210

44 - AL-KHARJ 129
TEL. 01 5448255
FAX. 01 5449876

45 - WADI AL-DAWASSIR
135
TEL. 01 7841096
FAX. 01 7840062

46 - AL-AFLAJ 142
TEL. 01 6820520
FAX. 01 6821358

47 - HOTAT BANI TAMIM
144
TEL. 01 5550300
FAX. 01 5550398

48 - SHAGRA 145
TEL. 01 6221639
FAX. 01 6220696

49 - AL-GOWAYEYAH 147
TEL. 01 6521090
FAX. 01 6521838

50 - MURRAT 217
TEL. 01 6231344
FAX. 01 6231335

51 - AL-MUZAHMIA 219
TEL. 01 5230040
FAX. 01 5230879

52 - HURAIMLA 226
TEL. 01 5260300
FAX. 01 5260284

53 - AL-SAHNAH 233
TEL. 01 5410691
FAX. 01 5410725

54 - AL-HAIR 237
TEL. 01 4900908
FAX. 01 4900209

55 - SULAYEL 245
TEL. 01 7821833
FAX. 01 7821600

56 - RUMAH 276
TEL. 01 5521183
FAX. 01 5521108

57 - AL-DARIYAH 281
TEL. 01 4861420
FAX. 01 4861526

58 - DURMA 284
TEL. 01 5221014
FAX. 01 5221210

49 - THADIQ 285
TEL. 01 4439653
FAX. 01 4439287

60 - ASHAIGAR 297
TEL. 01 6271585
FAX. 01 6271585

61 - AL-OVEYNAH 303
TEL. 01 4657600
FAX. 01 4657600

62 - AL-KHAIDAH ROAD 305
TEL. 01 5443067
FAX. 01 5443006

63 - AL-HARIQ 309
TEL. 01 5370801
FAX. 01 5370177

64 - TOMAIR 318
TEL. 06 4437412
FAX:

REGIONAL OFFICE FOR SOUTHERN REGION

MANAGEMENT

NO. 008 Fax. 07 2243136 CENTRAL 07
2242191

1 - KHAMIS MUSHAIT 107
TEL. 07 2237425
FAX. 07 2237426

2 - MEDINA ASKARIYAH
RD/KH. MUSHAIT 209
TEL. 07 2231331
FAX. 07 2230063

3 - NAJRAN 117
TEL. 07 5421319
FAX. 07 5421994

4 - FAISALIYAH/NAJRAN 205
TEL. 07 5223581
FAX. 07 5221217

5 - ABHA 110
TEL. 07 2247563
FAX. 07 2247589

6 - JIZAN 118
TEL. 07 3221507
FAX. 07 3221506

7 - BEESHA 130
TEL. 07 6226167
FAX. 07 6226870

8 - BALGURASHI 156
TEL. 07 7224412
FAX. 07 7220344

9 - AL-BAHA 177
TEL. 07 7251087
FAX. 07 7253139

10 - AL-HAMMAS 193
TEL. 07 2820051
FAX. 07 2820752

11 - DHARAN AL-JANOUB
220
TEL. 07 2550471
FAX. 07 2550592

12 - SABIA 221
TEL. 07 3261108
FAX. 01 3261104

13 - ABU AREESH 225
TEL. 07 3250961
FAX. 07 3260042

14 - MAHAIL 239
TEL. 07 2251748
FAX. 07 2251748

15 - SHAROURAH 241
TEL. 07 5321243
FAX. 07 5321242

16 - SARAT ABEEDAH 249
TEL. 07 2590336
FAX. 07 2590576

17 - SABT AL-AULA-YA 257
TEL. 07 6300544
FAX. 07 6300008

18 - BAISH 311
TEL. 07 3420214
FAX. 07 3420924

19 - TANOUMAH 295
TEL. 07 2827385
FAX. 07 2827382

20 - SAMTAH 316
TEL. 07 3321301
FAX. 07 3321220

21 - AL-MAJARDAH 321
TEL. 07
FAX. 07

22 - TATHLEETH 276
TEL. 07
FAX. 07

REGIONAL OFFICE FOR SOUTHERN REGION

REGIONAL OFFICE FOR EASTERN REGION

REGIONAL OFFICE FOR MEDINAH & NORTH

MANAGEMENT

NO. 008 Fax. 07 2243136 CENTRAL 07
2242191

MANAGEMENT

NO. 004 Fax. 03 8275068 CENTRAL 03
8261659

MANAGEMENT

NO. 007 Fax. 8387711 CENTRAL 8388068

1 - KHAMIS MUSHAIT 107
TEL. 07 2237425
FAX. 07 2237428

2 - MEDINA ASKARIYAH
RD/KH. MUSHAIT 209
TEL. 07 2231331
FAX. 07 2230063

3 - NAJRAN 117
TEL. 07 5421319
FAX. 07 5421994

4 - FAISALIYAH/NAJRAN 205
TEL. 07 5223581
FAX. 07 5221217

5 - ABHA 110
TEL. 07 2247553
FAX. 07 2247589

6 - JIZAN 119
TEL. 07 3221507
FAX. 07 3221506

7 - BEESHA 130
TEL. 07 6226167
FAX. 07 6226670

8 - BALGURASHI 156
TEL. 07 7224112
FAX. 07 7220344

9 - AL-BAHA 177
TEL. 07 7251087
FAX. 07 7253139

10 - AL-NAMMAS 193
TEL. 07 2820051
FAX. 07 2820752

11 - DHAHRAN AL-JANOUB
220
TEL. 07 2550471
FAX. 07 2550592

12 - SABIA 221
TEL. 07 3261108
FAX. 01 3261104

13 - ABU AREESH 225
TEL. 07 3250961
FAX. 07 3250042

14 - MAHAIL 239
TEL. 07 2251748
FAX. 07 2251748

15 - SHAROURAH 241
TEL. 07 5321243
FAX. 07 5321242

16 - SARAT ABEEDAH 249
TEL. 07 2590336
FAX. 07 2590575

17 - SABT AL-AULA-YA 257
TEL. 07 6300544
FAX. 07 6300008

18 - BAISH 311
TEL. 07 3420214
FAX. 07 3420924

19 - TANOUmah 295
TEL. 07 2827365
FAX. 07 2827382

20 - SAMTAH 316
TEL. 07 3321301
FAX. 07 3321220

21 - AL-MAJADAH 321
TEL. 07
FAX. 07

22 - TATHLEETH 276
TEL. 07
FAX. 07

1 - DAMMAM MAIN ST. 104
TEL. 03 8346189
FAX. 03 8323943

2 - KING FAHAD ST./
DAMMAM 153
TEL. 03 8275725
FAX. 03 8261951

3 - PRINCE MOHAMED ST./
DAMMAM 170
TEL. 03 8340993
FAX. 03 8324481

4 - MADINAT AL-UMAL/
DAMMAM 190
TEL. 03 8269722
FAX. 03 8273441

5 - JALAWIYA/DAMMAM 236
TEL. 03 8348262
FAX. 03 8344032

6 - MAIN
HOSPITAL/DAMMAM 273
TEL. 03 8421866
FAX. 03 8425742

7 - MUKHATAT 8/DAMMAM
300
TEL. 03 8428924
FAX. 03 8429009

8 - DAMMAM "WOMEN
BRANCH" 315
TEL. 03 8338071
FAX. 03 8338071

9 - HAFUUF 128
TEL. 03 5826928
FAX. 03 5886926

10 - MUBARAZ/HAHA 210
TEL. 03 5828595
FAX. 03 5878660

11 - KING FAHAD HOSPITAL/
HAHA 277
TEL. 03 5829844
FAX. 03 5829822

12 - AL-MAZROU'EIYAH 308
TEL. 03 5866798
FAX. 03 5826609

13 - AL-JUBAIL 146
TEL. 03 3613848
FAX. 03 3610490

14 - AL-HAJA'H
ALMALAKIYA/ JUBAIL 329
TEL. 03 3412748
FAX. 03 3412796

15 - AL-KHOBAR 139
TEL. 03 8649468
FAX. 03 8649482

16 - AL-THUGBA 157
TEL. 03 8948480
FAX. 03 8947608

17 - DHAHRAN AIRPORT 184
TEL. 03 8792150
FAX. 03 8918448

18 - PRINCE BANDAR /
KHUBAR 207
TEL. 03 8640820
FAX. 03 8947620

19 - AL-BURJ BLDG 227
TEL. 03 8640122
FAX. 03 8640124

20 - AL-AGRABIYAH/
ALKHOBAR 301
TEL. 03 8980167
FAX. 03 8943985

21 - AL-KHOBAR
AL-JANOBIA 302
TEL. 03 8985840
FAX. 03 8986088

22 - RAHEEMAH 183
TEL. 03 6871885
FAX. 03 6871885

23 - AL-KHAFJI 187
TEL. 03 7660794
FAX. 01 7660759

24 - HAFR AL-BATTIN 136
TEL. 03 7224628
FAX. 03 7221544

25 - ABQIQ 148
TEL. 03 5660368
FAX. 03 5662770

26 - AL-QATIF 172
TEL. 03 8556708
FAX. 03 8540935

27 - SAIHAT 255
TEL. 03 8562130
FAX. 03 8562130

28 - SALWA 256
TEL. 03 5822652
FAX. 03 5822652

29 - SAFWAH 287
TEL. 03 6843342
FAX. 03 6842413

30 - AIN DAR 304
TEL. 03 5631246
FAX. 03 5631463

31 - AL-HA'IRIYAH 306
TEL. 03 3731376
FAX. 03 3730620

32 - GARYAH 307
TEL. 03 3861976
FAX. 03 3861985

1 - AL-MANAKAH 105
TEL. 04 8233092
FAX. 04 8233916

2 - SAHAIM/MEDINA 152
TEL. 04 8234240
FAX. 04 8244192

3 - AIRPORT ST. MEDINA
198
TEL. 04 8361035
FAX. 04 8386876

4 - QOBA/MEDINA 218
TEL. 04 8238125
FAX. 04 8269689

5 - BAB AL-ANBRIYAH 242
TEL. 04 8243349
FAX. 04 8222121

6 - AL-MEDINA (WOMEN
BRANCH) 272
TEL. 04 8269808
FAX. 04 8236925

7 - MEDINA HOSPITAL 294
TEL. 04 8230372
FAX. 04 8230372

8 - TABOUK 109
TEL. 04 4221544
FAX. 04 4229780

9 - AL-AMARAH ST. 194
TEL. 04 4221864
FAX. 04 4226760

10 - AL-MAHRAJAN/TABOUK
202
TEL. 04 4227060
FAX. 04 4227060

11 - YANBU 150
TEL. 04 3222883
FAX. 04 3226246

12 - AL-HAJH AL-MALAKIAH/
YANBU 327
TEL. 04 3211107
FAX. 04 3211042

13 - AL-GURYAT 111
TEL. 04 6420235
FAX. 04 6420013

14 - ARAR 133
TEL. 04 6631876
FAX. 04 6624120

15 - AL-JOUF 154
TEL. 04 6246764
FAX. 04 8241192

16 - TARIF 155
TEL. 04 6521880
FAX. 04 6520840

17 - RAFAHA 169
TEL. 04 6760264
FAX. 04 6761588

18 - AL-WAJH 171
TEL. 04 4422884
FAX. 04 4421873

19 - TEEMA 178
TEL. 04 4632946
FAX. 04 4633030

20 - AL-ULLA 208
TEL. 04 8840363
FAX. 04 8840359

21 - DOMAT-AL-JANDAL
213
TEL. 04 6223414
FAX. 04 6221470

22 - HAOL 224
TEL. 04 4530600
FAX. 04 4530584

23 - BADR 230
TEL. 04 3321747
FAX. 01 3321743

24 - AMLAJ 244
TEL. 04 3822324
FAX. 04 3822328

25 - KHAIBER 248
TEL. 04 8821137
FAX. 04 8821827

26 - TABARJAL 250
TEL. 04 6281209
FAX. 04 6281636

27 - AL-HUDAITHA 258
TEL. 04 6424872
FAX. 04 6424872

28 - AL-HANAKIYAH 269
TEL. 04 8620132
FAX. 04 8620467

29 - DHABA NORTH 283
TEL. 04 4322867
FAX. 04 4320472

30 - AL-MAHD 286
TEL. 04 8681054
FAX. 04 8681988

31 - AL-YATAMAH 313
TEL. 04
FAX. 04

1 - C
TEL.
FAX.
2 - I
JED
TEL.
FAX.
3 - I
123
TEL.
FAX
4 - I
TEL.
FAX
5 - I
TEL.
FAX
6 - I
JED
TEL.
FAX
7 - I
JED
TEL.
FAX
8 - I
TEL.
FAX
9 - I
TEL.
FAX
10 -
TEL.
FAX
11 -
TEL.
FAX
12 -
TEL.
FAX
13 -
TEL.
FAX
14 -
ST.
TEL.
FAX
15 -
TEL.
FAX
16 -
TEL.
FAX
17
TEL.
FAX
18
TEL.
FAX

REGIONAL OFFICE FOR WESTERN REGION

MANAGEMENT

NO. 002 Fax: 6441000 CENTRAL 6441000

1 - QOBEL STREET 102

TEL. 02 6476196
FAX. 02 64209342 - MECCA ROAD KILO 2/
JEDDAH 113TEL. 02 6314494
FAX. 02 63165143 - BAB SHARIF/ JEDDAH
123TEL. 02 6474969
FAX. 02 6474969

4 - BAB MECCA/JEDDAH 124

TEL. 02 6433049
FAX. 02 6447798

5 - AL-SHARAFIYAH 156

TEL. 02 6532916
FAX. 02 65331686 - KING ABDOUL AZIZ ST./
JEDDAH 161TEL. 02 6447674
FAX. 02 64340217 - AL-MAHJAR ROAD/
JEDDAH 163TEL. 02 6372067
FAX. 02 6367991

8 - UNIVERSITY ROAD 176

TEL. 02 6895946
FAX. 02 6895938

9 - BANI MALIK 180

TEL. 02 6713280
FAX. 02 6718817

10 - AL-SABEE ST. 186

TEL. 02 6479866
FAX. 02 6481745

11 - BIN LADIN ST. 189

TEL. 02 6800014
FAX. 02 680030012 - KING FAHAD ST.
"WOMEN BRANCH" 191TEL. 02 6711024
FAX. 02 6711024

13 - AL-RUWESS 206

TEL. 02 6518276
FAX. 02 6515572

14 - AL-ESKAN AL-JANOBI

ST. 222
TEL. 02 6373159
FAX. 02 6361004

15 - MEDINA ROAD 223

TEL. 02 6655822
FAX. 02 6650791

16 - ENAIKISH 235

TEL. 02 6717067
FAX. 02 6717067

17 - AL-HINDAWAIYAH 240

TEL. 02 6474175
FAX. 02 6477314

18 - AL-BIGDADIYAH 243

TEL. 02 6424257
FAX. 02 6422186

19 - KING ABDOUL AZIZ

AIRPORT 289
TEL. 02 6853410
FAX. 02 685344520 - HAI AL-SALAMAH/
JEDDAH 314TEL. 02 6833554
FAX. 02 683355421 - MIDAN FALASTEEN/
JEDDAH 319TEL. 02 6852047
FAX. 02 6851075

22 - AL-MAKARONA ST. 320

TEL. 02 6720342
FAX. 02 6720731

23 - BAHRAH

AL-MUJAHIDEEN 322
TEL. 02 6911445
FAX. 02 5911445

24 - QASHASHIYA/ MECCA

103
TEL. 02 5745696
FAX. 02 5721391

25 - AL-HUJOUN/MECCA 141

TEL. 02 5742295
FAX. 02 5733533

26 - AL-AZIZIYAH/MECCA

201
TEL. 02 5581172
FAX. 02 5581156

27 - AL-OTAIBIYAH/ MECCA

228
TEL. 02 5440309
FAX. 02 5440224

28 - AL-SITTEEN ST./

MECCA 246
TEL. 02 5447253
FAX. 02 5447314

29 - AL-SHUBAIKA/MECCA

262
TEL. 02 5724023
FAX. 02 5745068

30 - AL-MESFALAH/ MECCA

330
TEL. 02 5345690
FAX. 02 5348342

31 - AZIZIYAH/TAIF 112

TEL. 02 7366266
FAX. 02 7333340

32 - AL-SHUHADA/ TAIF 199

TEL. 02 7496030
FAX. 02 7463120

33 - AL-FAISALIYAH/ TAIF

232
TEL. 02 7382960
FAX. 02 7325326

34 - MADRASAT

AL-SEYANAH/ TAIF 266
TEL. 02 7365964
FAX. 02 7365964

35 - HAWIYAH ROAD/ TAIF

326
TEL. 02 7253307
FAX. 02 7254555

36 - TAIF "WOMEN

BRANCH" 328

TEL. 02 7334907
FAX. 02 7362505

37 - RANYAH 181

TEL. 02 8321036
FAX. 02 8421210

38 - RABIG 247

TEL. 02 4221996
FAX. 02 4221865

39 - AL-KHURMA 254

TEL. 02 8321653
FAX. 02 8321263

40 - AL-GUNFUZA 263

TEL. 02 7321264
FAX. 02 7321260

41 - AL-TURBAH 264

TEL. 02 8221808
FAX. 02 8221808

42 - AL-LAYTH 270

TEL. 02 7421209
FAX. 02 7421217

43 - AL-KAMIL 323

TEL.
FAX.

44 - AL-JAMOUN/ WADI

FATMA 324
TEL. 02 5940367
FAX. 02 5941103

REGIONAL OFFICE FOR GASEEM & HAIL AREA

MANAGEMENT

NO. 005 Fax: ACCOUNTING - 3249794

RATES - 3228100 CENTRAL - 3246848

3249151

1 - AL-KHABIB 108

TEL. 06 3321180
FAX. 06 3243617

2 - AL-JARDAH 182

TEL. 06 3235828
FAX. 06 3243171

3 - AL-SAFRA 192

TEL. 06 3230498
FAX. 06 3234207

4 - AL-SADAH 212

TEL. 06 3241478
FAX. 06 3231098

5 - AL-SANAHAH/BURAIDAH

252

TEL. 06 3242020
FAX. 06 3242016

6 - AL-MAARIDH 275

TEL. 06 3237411
FAX. 06 32386367 - WOMEN BRANCH/
BURAIDAH 298TEL. 06 3230801
FAX. 06 3248753

8 - ONAIZAH 120

TEL. 06 3641037
FAX. 06 3643537

9 - AL-JUHAIMIYAH 234

TEL. 06 3646077
FAX. 06 3647510

10 - WOMEN BRANCH

ONAIZAH 271
TEL. 06 3648294
FAX. 06 3648294

11 - HAIL 118

TEL. 06 5321138
FAX. 06 5321793

12 - BARZAN/HAIL 258

TEL. 06 5322965
FAX. 06 5322673

13 - AL-RASS 122

TEL. 06 3330033
FAX. 06 3333584

14 - HAZM/AL-RASS 280

TEL. 06 3335381
FAX. 06 3332960

15 - DAWADMI

TEL. 06 6431399
FAX. 06 6421071

16 - AL-ZULFI 121

TEL. 06 4221918
FAX. 06 4221889

17 - AFIF 132

TEL. 06 7221347
FAX. 06 7221412

18 - AL-BEKERIYA 134

TEL. 06 3358872
FAX. 06 3350702

19 - AL-MAJMAA 138

TEL. 06 4321050
FAX. 06 4321874

20 - AL-MUZNIB 151

TEL. 06 3420180
FAX. 06 3420079

21 - HOTAT SUDAIR 160

TEL. 06 4431080
FAX. 06 4431027

22 - AL-BADAYE 167

TEL. 06 3320780
FAX. 06 3320073

23 - RIYADH AL-KHUBRA

175
TEL. 06 3340404
FAX. 06 3340445

24 - SAJER 196

TEL. 06 6321810
FAX. 06 6321913

25 - AL-GHAT 214

TEL. 06 4421455
FAX. 06 4421117

26 - AL-ASEEYAH 238

TEL. 06 3450360
FAX. 06 3450370

27 - AL-KHABRA 265

TEL. 06 3550491
FAX. 06 3550358

28 - AL-SHAMASIYAH 267

TEL. 06 3401501
FAX. 06 3401301

29 - AYON AL-JAWA 288

TEL. 06 3911575
FAX. 06 3911786

30 - BAGAA 290

TEL. 06 5270297
FAX. 06 5270297

31 - UGLAT AL-SAGOUR 291

TEL. 06 2430482
FAX. 06 2430509

32 - AL-RAFAYE 310

TEL. 06 6340410
FAX. 06 6340410

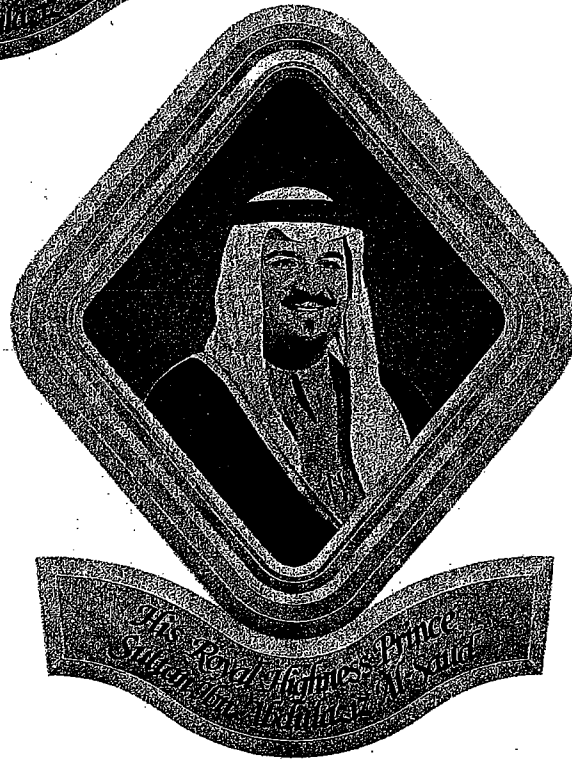
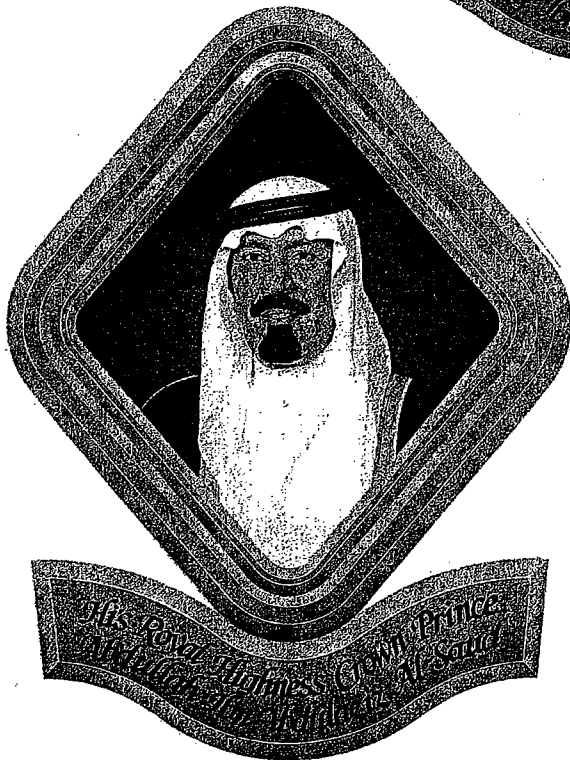
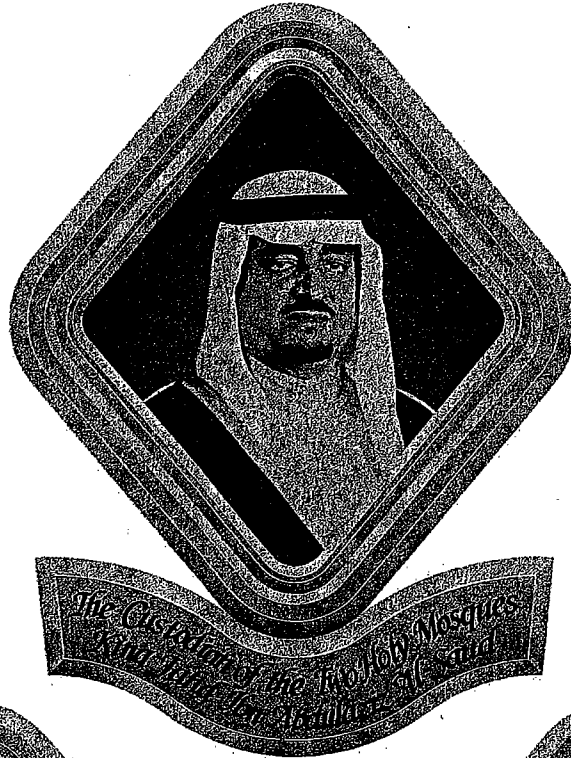
33 - DARIYAH 312

TEL. 06 3649549
FAX. 06 3649549

34 - AL-BIGADIYAH 325

TEL. 06 6340507
FAX. 06 6340998





CONTENTS

• Board of Directors	5
• Board of Directors Report	6
• Conclusion	15
• Statement of Financial Position	16
• Statements of Income and Retained Earnings	17
• Notes to the Financial Statements	18
• Auditors' Report	24



BOARD OF DIRECTORS

Sheikh Saleh Ibn Abdul Aziz Al Rajhi
CHAIRMAN

Sheikh Sulaiman Ibn Abdul Aziz Al Rajhi
GENERAL MANAGER AND MANAGING DIRECTOR

MEMBERS

Sheikh / Abdullah Ibn Abdul Aziz Al Rajhi
Sheikh / Ismail Al Sulaiman Abu Dalwad
Sheikh / Abdul Wahab Mohamed Saleh Sheikh
Sheikh / Sulaiman Al Mohamed Al Rasheed
Dr. / Abdullah bin Naser Bin Mohamed Al Wehabi
Engineer / Salah Al Abdullah Abu Al Khalil
Sheikh / Mohamed Bin Abdul Aziz Al Rajhi

Sheikh / Ali Bin Mohamed Bin Abdullah Al Rajhi
Sheikh / Abdul Rahman Bin Abdullah Bin Ogail
Ustaz / Mohamed bin Abdullah Bin Abdul Aziz Al
Rajhi
Ustaz / Saleh Bin Sulaiman bin Abdul Aziz Al Rajhi
Ustaz / Sulaiman Bin Saleh bin Abdul Aziz Al Rajhi
Sheikh / Mohamed Bin Osman Bin Ahmed Al Bishi
Ustaz / Naser Bin Mohamed Al Subaily

EXECUTIVE COMMITTEE

Sheikh / Sulaiman Ibn Abdul Aziz Al Rajhi
Engineer / Salah Al Abu Al Khalil
Sheikh / Abdul Rahman Bin Abdullah Bin Ogail

Ustaz / Saleh Al Sulaiman Al Rajhi
Ustaz / Sulaiman Al Saleh Al Rajhi

CERTIFIED PUBLIC ACCOUNTANTS

AL RASHID

WHINNEY MURRAY & CO

BOARD OF DIRECTORS' REPORT

TO THE SHAREHOLDERS OF AL RAJHI BANKING AND INVESTMENT CORPORATION

Dear Brothers,

The board of directors is pleased to provide you with its First Annual Report on the Corporation's activities and its financial statements for the fiscal period which commenced on 1.8.1408H corresponding to 19 March 1988 and ended on 31 December 1988. This period is nine months and 13 days. The Corporation started to perform its banking and investment activities after the issuance of Royal Decree No. M/59 dated 3.11.1407H, the resolution of the Council of Ministers No. 245 dated 26.10.1407H to license the formation of the Corporation, the resolution of the Ministry of Finance and National Economy No. 3/1698 dated 6.7.1408H to license the Corporation and the resolution of His Excellency the Minister of Commerce No. 319 dated 5.4.1409H to announce the formation of the Corporation.

The Corporation has now become one of the Saudi banking family to perform its hopeful task in developing and investing its resources to support the development of our beloved Kingdom guided by the beliefs and principles of this peaceful country.

It is clear enough dear brothers, the shareholders, that the replacement of Al-Rajhi Company for Currency Exchange and Commerce by Al-Rajhi Banking and Investment Corporation has taken considerable efforts and time. Conversion of a Corporation of that vast size, with its extended relationships with its correspondents and with its local and international status has required enormous efforts. On this occasion, the board expresses its deep gratitude to the members of the valuation committee, the auditors - Abdul Aziz Al Rashed office and Whinney Murray & Co. office who have made distinguished efforts of patience and sacrifices of time and effort. If such patience and efforts had not been made, the transfer could have never been completed in such a relatively short time. May Allah reward them. Thanks are also expressed to the finance department of Al-Rajhi Banking and Investment Corporation headed by the First Deputy General Manager and his Assistant, Mohammed Alawi Theban, who have continued work during holidays and week ends to respond to the requirements of the valuation committee and the auditors. As a matter of fact, if such efforts had been made by a specialized body, as is the case in some such circumstances, the Corporation would have incurred tens of millions of Riyals and the time spent would have been much more.

The board also expresses thanks and appreciation to the brothers Saleh, Abdullah, Sulaiman and Mohammed Abdul Aziz Al-Rajhi, the partners of Al-Rajhi Company for Currency Exchange and Commerce for their efforts in the banking business, the result of which was the formation of this blessed Corporation.



FINANCIAL RESULTS :

BALANCE SHEET TOTAL :

The balance sheet total for the Corporation as a whole including contra accounts amounted to SR 31,963.4 millions at 31 December 1988.

Total assets amounted to SR 15,045.9 millions. The totals of cash in hand, deposits with SAMA, due from banks and precious metals amounted to SR 2,319.1 millions at 31 December 1988.

INVESTMENTS IN MURABAHA :

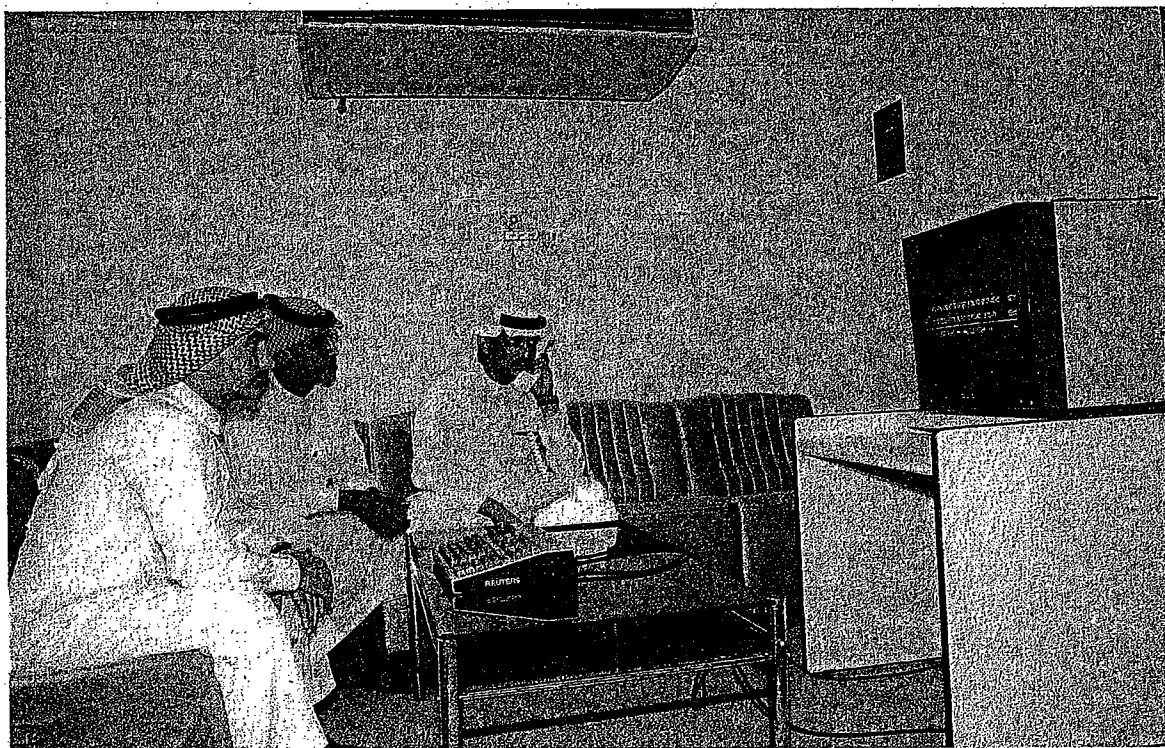
The Corporation has continued making arrangements with highly reputable international institutions that have strong financial positions to enter into Murabaha contracts. When negotiating, the Corporation is careful to act as an intermediary merchant which buys goods or merchandize from an independent supplier, settle its value immediately and then sells them to a third party on a deferred settlement basis which is compatible with normal trading practices taking into account the Corporation's articles of association. The total invested funds in Al Murabaha operations in the Kingdom and abroad amounted to SR 11,757.2 millions at 31 December 1988.

CUSTOMERS' CREDIT CURRENT ACCOUNTS :

The total customers' credit current accounts amounted to SR 11,823.8 millions.

MUDARABA FUNDS :

The Corporation carries out Mudaraba operations on behalf of customers. This appears in the contra accounts. The Corporation earns fees against such operations. The balances amounted to SR 726.2 millions at 31 December 1988.

**REVENUES, EXPENSES, LOSSES, PROFITS AND RESOLUTION OF DISTRIBUTION :**

Total revenues of the Corporation for the fiscal period from 19 March 1988 to 31 December 1988 i.e. nine months and 13 days, amounted to SR 859.8 millions. Total expenses amounted to SR 271.5 millions. Net profit amounted to SR 588.2 millions. The board has decided to distribute a sum of SR 112.5 millions to the shareholders which amounts to SR 15 per share i.e. with an annual percentage of 19%.

The following schedule shows the distribution of net profits :

1) General Reserve	SR 250.00 millions
2) Statutory Reserve	SR 147.00 millions
3) Proposed dividends	SR 112.50 millions
4) Retained earnings	SR 78.70 millions



MAN POWER :

The management of the Corporation makes its best efforts to develop human resources. Amongst other things, the success and development of the banking business depends upon the development, improvement and interaction of the human factor which is one of the means by which the management of the Corporation hopes to achieve success through selection of individuals, with distinguished skills and capabilities, who can cope with the developments, changes, improvements and expansion of modern banking services.

of efficient Saudi youth for leading positions. With the help of Allah and the efforts made, we can proudly say that the Saudi youth are holding leading decision making positions in the Corporation.

**Total Number of Employees
1986 — 1988**

Year	1986	1987	1988
Number of Employees	3525	3968	3905

The Corporation has availed opportunities to the sons of this beloved Kingdom to be employed in all departments. It also gives priority to the appointment



TRAINING :

The management of the Corporation gives special consideration to training staff after they take up employment. The Corporation has a main training centre in Riyadh and other training centres in Jeddah and Dammam which have been specially established for this purpose. These centres conduct courses which suit all grades of staff, according to each one's level. Teaching of the English language is also conducted

in these centres. These are in addition to deputation of some Saudi employees to participate in training courses conducted by the Institute of Public Administration and the Saudi Arabian Monetary Agency's bank Training Institute which conducts several specialized courses in the banking field.

